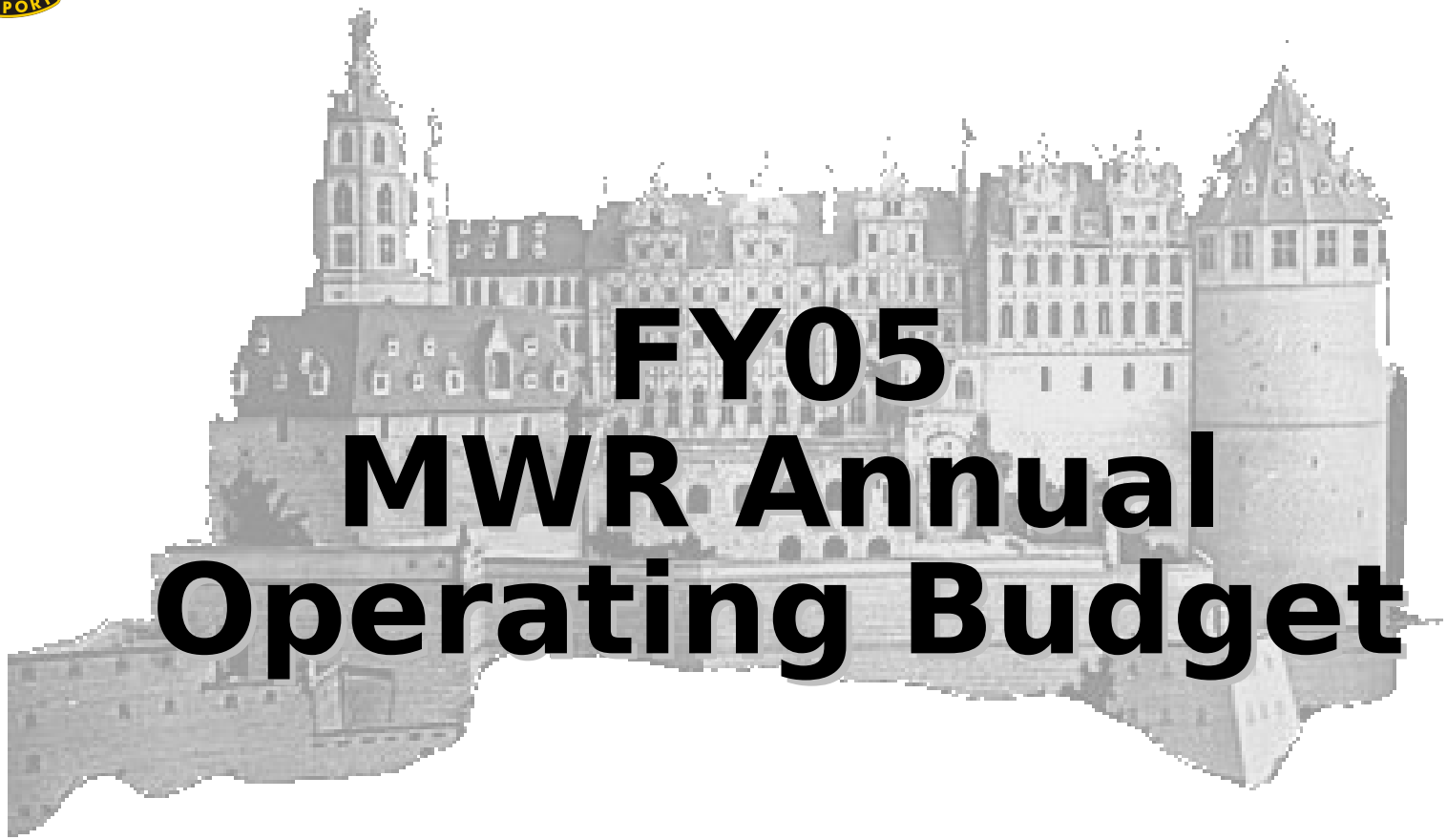
INSTALLATION MANAGEMENT AGENCY, EUROPE REGION



FY05 MWR Annual Operating Budget

Ms. Mary Schweitzer
MWRD-FMG

DA Standards - FY 05

- **Standards evaluated at Region level only:**
  - **8% NIBD/Net Revenue**
  - **Golf NIBD is >= 20% of Net Revenue**
  - **Bowling (over 12 lanes) is >= 20 % of Net Revenue**
  - **Clubs, Theme, & FBE NIBD is >= 8% of Net Revenue**
  - **All other Cat C operations must breakeven**
  - **Cash to Debt**
- **The ASG Budget serves as the "garrison" standard**
  - **Evaluation is against the budgeted NIBD for each element of the Commander's Mission Box**

BOSS

- **BOSS will be recorded in**
  - **Program Code JN**

    and
  - **Department Code 9F**

BOSS programmer encouraged to maintain “sub-ledger” to track activity

Helps in justifying budget projections

Club Operations

- **Every “front door” will be assigned a separate location code**
  - **No annexes will be budgeted**
  - **Labor will be transferred as appropriate**
- **Concession operations will be a separate location**
  - **When entire operation is a concession**
  - **Primarily food operations**

Areas of Concern

- **NAF used to purchase APF authorized fixed assets must be recorded separately**
  - **3 Fixed Asset GLACs to capture these expenses**
  - **ASGs not using these GLACs**
- **Location code changes/additions must be coordinated through Single Fund office before submission to CAD**
- **Proper use of GLACs 508 and 526**
  - **Non payroll must be recorded in GLAC 526**

Significant Changes

- **Uniform Funding and Management (UFM) postponed until later in FY 05**
- **EURO rate changed to $0.80**
- **Department 04 “Bulk Beer Sales” is used to record beer sales at fests**
- **Advertising Income**
  - **"...if advertising is sold for a specific program like the Golf Program, the income can be credited to that program code, however, the expenses for getting this advertising should be recorded under the same program code."**

5 Year APF/NAF Budgets

- **FY 05 NAF budget entered automatically by FMBS**
- **Out year NAF data to be input at program level**
- **APF data input for all years, at program level**

Budget Components-FMBS Reports

- **Annual Operating Budget**
  - **Prepared at facility level**
- **5-year APF/NAF Budget**
  - **Prepared at program level**
- **Capital Purchase/Minor Construction Budget**
  - **Prepared at facility/ASG level**
- **5-year Cash Plan**
  - **Prepared at Region level**
- **Major Construction Schedule**
  - **Prepared at Region level**

Budget Supporting Documents

- **Commander's Narrative that contains:**
  - **Justification for use of NAF in CAT As**
  - **Explanation of major changes/trends**
  - **Goals and objectives for upcoming FY**
- **MWR Manning Document in electronic form**
  - **ASGs will use IMA-E Manning Document template**
- **MOAs for MWR USA budgets**
- **Completed briefing slides**

Submission Procedure/Timeline

- **11 Jun: "First Draft" AOB and CPMC budgets – MUST include (no exceptions):**
  - **Draft commander's narrative**
  - **Draft MOAs**
  - **MWR Manning Document**
- **12 June – 6 Jul: Single One Fund & Program Manager review**
- **23 Jul: Final budget documents due – MUST include;**
  - **Signed commander's narrative**
  - **Signed MOAs**
  - **Briefing slides**
- **2 Aug – FMG brief Region Director**

Commander Briefings

- **9-13 Aug: Commanders brief Region Director (RD)**
  - **Briefings will be VTCs, with exception of the 26th ASG**
  - **Standard template will be used**
  - **IMA-E MWRD Chief, FMG, and RM will attend with RD**
- **ASGs responsible for:**
  - **Preparing briefing slides and pre-briefing commander**
  - **Ensuring that VTC set-up is established**
    - **Provide name of POC to FMG NLT 30 Jul**
- **IMA-E responsible for:**
  - **Providing each ASG with briefing slides showing YTD May actual plus Jun – Sep budget data**
  - **Ensuring that IMA-E POC for the VTC coordinates with ASG POC**

Commander Briefings
Budget Slides

- **IMA-E FMG provides slide template with historical (FYs 02 and 03) and current (YTD May plus Jun – Sep) data**
- **ASGs input FY 05 budget data and comments**
- **Packet contains one slide for each of the following, reflecting major financial performance elements:**
  - **“All-All-All” roll-up of ASG**
  - **Category A less Unit Funds**
  - **Unit Funds**
  - **Category B less CDS**
  - **CDS**
  - **Category C**
  - **MWR Common Support**
  - **Non-MWR Special Mission**

Commander Briefings Schedule

- **Each briefing is scheduled for one hour**
  - **6th ASG – 9 Aug, 1330**
  - **22nd ASG – 10 Aug, 0900**
  - **26th ASG – 10 Aug, 1300**
  - **80th ASG – 11 Aug, 0930**
  - **98th ASG – 11 Aug, 1330**
  - **100th ASG – 12 Aug, 0930**
  - **104th ASG – 13 Aug, 0930**

Sample Spreadsheet

ASG:	**ZF**	**100th ASG**				
Program:	**ALL**	**LESS GUESTHOUSE, ALF PAYBACK, & VETERINARIAN**				
		FY02	**FY03**	**FY04**	**FY05**	**FY04/05**
	$000	**Actual**	**Actual**	**Estimate**	**Budget**	**% Delta**
Net Sales		2,229.4	1,622.0	671.4	0.0	-100.0%
Cost of Goods		795.0	635.5	260.2	0.0	-100.0%
Cost of Goods %		35.7%	39.2%	38.8%	0.0%	-38.8%
USA/UFM Payroll		1,417.3	1,795.5	742.0	0.0	-100.0%
USA/UFM Nonpayroll		0.0	0.0	311.6	0.0	-100.0%
Indirect Income (524,545,549)		1,319.0	1,303.2	738.8	0.0	-100.0%
TOTAL Oth Operating Income		7,285.5	7,072.9	3,685.6	0.0	-100.0%
Labor		5,990.7	5,990.0	3,235.2	0.0	-100.0%
Labor %		61.9%	67.3%	72.9%	0.0%	-72.9%
Oth Operating Expense		1,938.1	1,562.0	669.0	0.0	-100.0%
Oth Operating Expense %		20.0%	17.6%	15.1%	0.0%	-15.1%
Oth Income		167.2	200.6	80.9	0.0	-100.0%
Oth Expense		132.0	159.8	(4.9)	0.0	-100.0%
Budgeted NIBD		822.8	896.4			
NIBD		826.3	548.2	278.5	0.0	-100.0%
NIBD % of NR		10.0%	7.7%	8.2%	0.0%	-8.2%
NIBD Budget Variance %		0.4%	-38.8%			
Net Revenue		8,264.8	7,100.0	3,384.3	0.0	-100.0%
Total Revenue		9,682.1	8,895.5	4,437.9	0.0	-100.0%

Budget Analysis: (Describe how FY04 budget will be achieved. New programs, change to operating hours, reduction of labor/other expenses, etc.)